

U.S. Assistance to Armenia -- Fiscal Year 2005

Fact sheet covers aid from October 1, 2004, to September 30, 2005

The following State Department fact sheet outlines U.S. assistance to Armenia for fiscal year 2005 (October 1, 2004-September 30, 2005):

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FACT SHEET

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Armenia has made significant progress in political and economic reform, as evidenced by its eligibility in FY 2005 to receive grants from the Millennium Challenge Account. While economic growth has been strong in certain sectors, it has yet to provide significant benefit to the vast majority of the population. As such, U.S. assistance focuses on assisting small- and medium-scale enterprise sector growth that will involve more Armenians in the country's expanding economy. Democracy, economic, and law enforcement programs are targeted towards strengthening democratic structures and foundations in Armenia and supporting regional stability and security. All U.S. Government assistance programs include anti-corruption components designed to strengthen local capacity for combating this pressing global problem. In addition, U.S. Government assistance programs support interaction between Armenia and its neighbors in an effort to increase regional stability and encourage resolution to ongoing conflicts.

The estimated \$84.4 million budgeted by all U.S. Government agencies for assistance programs in Armenia in FY 2005 is allocated roughly as follows (based on information available as of the date of this fact sheet):

Democracy Programs	\$11.4 million
Economic & Social Reform	\$43.5 million
Security & Law Enforcement	\$19.1 million
Humanitarian Assistance	\$1.5 million
Cross Sectoral Initiatives	\$8.9 million

Democracy programs in Armenia aim to increase citizen participation in public affairs, strengthen the rule of law, build the capacity of the National Assembly, improve local and state governance, and support independent media. U.S. assistance programs continue to support grassroots advocacy groups and initiatives that bring together local government officials and citizens to solve community problems; develop civic education materials and curricula; strengthen the work of non-governmental organizations (NGOs); and educate citizens about their rights.

Small grant-making programs support the work of NGOs to foster civil society, enhance local government accountability, and support local media. Journalists, editors, and managers of media outlets are trained in business management, fact-based journalism, and investigative journalism. Training and exchange programs reach out to the next generation of Armenian leaders and give them first-hand experience with the day-to-day functioning of a market-based democracy. In 2005, the U.S. Government sent 186 Armenian citizens to the United States on academic and professional exchange programs. Since 1993, the U.S. has funded the travel of approximately 4,550 Armenian citizens to the U.S. on these programs in fields such as management, democratic strengthening, social service provision, and NGO development.

Broadening the base of economic growth through job creation and labor market development is the primary goal of our economic assistance programs. U.S. programs seek to increase access to credit for entrepreneurs, develop markets for agribusinesses, improve tax and customs performance, improve budget management, strengthen central bank supervision, enhance the legislative framework for businesses, and boost progress in promising sectors, such as information technology, tourism, and agriculture. U.S. advisors support a budget training center for government employees with equipment, training materials, and technical advice.

The U.S. Department of Agriculture's (USDA) Agricultural Development Initiative in Armenia provides targeted and sustained technical, financial, and marketing assistance to small- and medium-sized agribusinesses and farmer-marketing associations. Increased production and improved marketing have resulted in thousands of jobs in the agribusiness sector benefiting farmers throughout Armenia. In 2005, USDA has extended its program to working with the Government of Armenia to improve data collection in agriculture, adopt international sanitary standards, and to develop policies that promote increased trade in agricultural products.

U.S.-funded social reform programs provide technical support to a centralized data administration center to improve the administration and tracking of family benefits for Armenia's poor while decreasing the population's dependency on government assistance. U.S. Government technical assistance helps the Ministry of Labor and Social Issues design, administer, and distribute a new social security card to ensure that benefits flow to the unemployed and the needy. U.S.-supported health programs work to strengthen national institutional capacity for primary health care reform and to reinvigorate the provision of primary health care services at the facility level in order to meet immediate needs of Armenia's population

Security and law enforcement assistance programs aim to improve stability in Armenia and in the region, as well as to enhance Armenia's current support of the Global War on Terrorism. To promote interoperability with U.S. and other North Atlantic Treaty Organization (NATO) forces, the Foreign Military Financing, International Military Education and Training, Joint Contact Team, and State Partnership programs provide professional military education and exchange opportunities, enhance peacekeeping capabilities, and modernize military communications. The U.S. Government also provides nonproliferation assistance for Armenia, including funding peaceful research activities with biological and chemical scientists. The U.S. is funding science centers, bio-chem redirect, and bio-industry initiative programs and is working through the

multilateral International Science and Technology Center in Moscow to engage scientists from the former Soviet Union in transparent, sustainable, and cooperative civilian research projects. U.S. funding also provides nonproliferation assistance to the Civilian Research and Development Foundation (CRDF). The U.S. continues to fund safety improvements at the Metsamor nuclear reactor and support Armenia's nuclear regulator.

Our Export Control and Related Border Security Assistance (EXBS) program continues to work with Armenian export control officials, customs, and border guards to improve their prevention capabilities against weapons proliferation and other illicit trafficking.

A variety of U.S. programs provide assistance to reform Armenia's law enforcement and judicial sectors. These programs have helped to establish computer classrooms for law enforcement training, provide expertise for modern curricula at law enforcement academies, and provide technical assistance to judges and lawyers to help establish an independent judiciary. The U.S. is also providing upgrades to the law enforcement computer infrastructure in order to connect regional police precincts with central offices. In addition, assistance programs support the government and NGOs in Armenia to help address trafficking in persons.

Donated humanitarian commodities valued at approximately \$10 million -- including medicines, pharmaceuticals, medical equipment and supplies, school equipment and supplies, clothing, and food -- are shipped and distributed to the most needy Armenians in the country's rural towns and villages. The U.S. has supported a medical outpatient clinic in the city of Alaverdi since October 2001. In addition, the U.S. Government will provide additional food-aid commodities to be distributed to vulnerable groups through the World Food Program's relief operations. USDA executes a program to install or repair village water wells in selected villages with drinking water for domestic and livestock use and for crop irrigation. One hundred communities benefited from this program through FY 2005.

U.S. Government support for humanitarian demining programs helps communities in border regions by recovering valuable lands that can now be used for agricultural development and public use. The Earthquake Zone Recovery Program provides assistance for housing compensation/rehabilitation and other economic and social programs in the Shirak and Lori regions and the surrounding areas. This program will house roughly 6,500 people through the use of vouchers and housing grants by the end of 2005, when the project will be completed.

Currently, the Peace Corps has more than 80 volunteers who teach English and conduct seminars in business and community development and environmental education.